

STATE OF THE ECONOMY:
FEWER JOBS, LONGER UNEMPLOYMENT, AND FALLING INCOMES

March 11, 2009

- As of February 2009, there are **12.5 million unemployed persons** in the U.S., for all sectors of the economy combined. In addition, when part-time and discouraged workers who want full-time jobs are included, the number of unemployed/under-employed workers increases to 23.9 million.
- The unemployment rate in February 2009 was **8.1 percent** -- **the highest it has been in 25 years**, and substantially above both the 4.0 percent rate when the Bush Administration took office in January 2000, and the 4.9 percent rate as of December 2007, the beginning of the current recession. In addition, when part-time and discouraged workers who want full-time jobs are included, the unemployment rate is 15.5 percent.
- The National Bureau of Economic Research has determined that the current recession began in December 2007. At 15 months and counting, the current recession is already longer than the two most recent recessions the nation experienced in 1990-91 and 2001, each of which lasted eight months. If it continues beyond 16 months, **the current recession will be the longest since the Great Depression.**
- From the start of the recession in December 2007 through February 2009, **the number of unemployed persons has increased by 4.9 million.**
- The **construction sector** has been particularly hard-hit. It has lost 904,000 jobs since the recession began in December 2007. The unemployment rate in construction was **21.4 percent** in February 2009 – up 10 points since February 2008. This is the highest unemployment rate of any industrial sector. As of February 2009, **there are 2,025,000 unemployed construction workers** in the nation – that's 907,000 more unemployed construction workers than in February 2008, and 939,000 more than in February 2007.
- Within the overall construction sector, seasonally adjusted employment in heavy and civil engineering construction has fallen by 82,400 since the recession began in December 2007. Heavy and civil engineering construction employment is now the lowest it has been since February 2005.
- Moreover, after workers have lost their jobs, they have had more trouble finding new jobs. The **average length of unemployment is now 19.8 weeks**, compared to 16.5 weeks in December 2007 at the start of the recession. The **number of workers who have been unemployed for longer than six months is now 2.9 million, compared to 1.3 million in December 2007.** One-half of the unemployed have been out of work for more than 11 weeks and nearly one in four has been out of work for more than six months.
- In addition, 8.6 million people are working only part-time, either because of slack economic conditions or because they could only find part-time employment. An additional **2.8 million people have completely dropped out of the labor force because they cannot find work,** and therefore are not counted as unemployed.